AMENDMENTS TO THE CLAIMS:

Please replace the claims with the claims provided in the listing below wherein status, amendments, additions and cancellations are indicated.

1. (Currently Amended) A method of producing an oil-in-water ~~type~~ emulsion containing an internally crosslinked fine resin particle, wherein the fine resin particle is encapsulated in [[a]] an emulsion particle having an average particle diameter of 0.02 to 0.3 μm, comprising of a step of undergoing phase transition from a water-in-oil ~~type~~ emulsion (Y) comprising [[of]] a resin (A) having a cationic group or an anionic group, an acid or a base (B) to neutralize ~~neutralizing~~ 20 to 150 mole percent of the cationic group or the anionic group in the resin (A), an internally crosslinked fine resin particle (C)[[,]] having an average particle diameter of 0.01 to 0.2 μm[[,]] and being dispersed in an oil phase, and an aqueous medium (D) to an oil-in-water ~~type~~ emulsion (Z) by adding further ~~the~~ aqueous medium (D) ~~further~~ to the water-in-oil ~~type~~ emulsion (Y).

2. (Currently Amended) The method of producing an oil-in-water ~~type~~ emulsion containing an internally crosslinked fine resin particle according to Claim 1, wherein the water-in-oil ~~type~~ emulsion (Y) is obtained through a step (1-1) of neutralizing the resin (A) by mixing the resin (A) with the acid or base (B) to neutralize ~~neutralizing~~ 20 to 150 mole percent of the cationic group or anionic

group in the resin (A), and a step (1-2) of mixing the neutralized resin ~~(A)~~ obtained through the step (1-1) with a water dispersion (W) of the internally crosslinked fine resin particle (C) having an average particle diameter of 0.01 to 0.2 μm to form the water-in-oil ~~type~~ emulsion (Y).

3. (Currently Amended) The method of producing an oil-in-water ~~type~~ emulsion containing an internally crosslinked fine resin particle according to Claim 1, wherein the water-in-oil ~~type~~ emulsion (Y) is obtained through a step (2-1) of mixing a ~~the~~ water dispersion (W) of the internally crosslinked fine resin particle (C) having an average particle diameter of 0.01 to 0.2 μm with the acid or base (B) for neutralizing 20 to 150 mole percent of the cationic group or anionic group in the resin (A) to form a dispersion (V) of the internally crosslinked fine resin particle, and a step (2-2) of mixing the dispersion (V) obtained through the step (2-1) with the resin (A) to form the water-in-oil ~~type~~ emulsion (Y).

4. (Currently Amended) A method of producing an oil-in-water ~~type~~ emulsion containing an internally crosslinked fine resin particle, wherein the fine resin particle is encapsulated in [[a]] an emulsion particle having an average particle diameter of 0.02 to 0.3 μm, comprising ~~of~~ a step of forming an oil-in-water ~~type~~ emulsion (Z) by adding an aqueous medium (D) to an oily medium (X) comprising ~~of~~ a resin (A) having a cationic group or an anionic group, an acid or

a base (B) to neutralize ~~neutralizing~~ 20 to 150 mole percent of the cationic group or the anionic group in the resin (A), and an internally crosslinked fine resin particle (C)[[,]] having an average particle diameter of 0.01 to 0.2 μm[[,]] and being dispersed in an oil phase.

5. (Currently Amended) The method of producing an oil-in-water ~~type~~ emulsion containing the internally crosslinked fine resin particle according to any of Claims 1 to 4, wherein a hydrophobic resin (H) is further dispersed or dissolved in said ~~an~~ emulsion particle of the oil-in-water ~~type~~ emulsion containing the internally crosslinked fine resin particle ~~further~~.

6. (Currently Amended) The method of producing an oil-in-water ~~type~~ emulsion containing an internally crosslinked fine resin particle according to Claim 2, wherein the step (1-1) further comprises ~~include~~ a step of adding a hydrophobic resin (H).

7. (Currently Amended) A cation electrodeposition coating composition comprising an ~~An~~ oil-in-water ~~type~~ emulsion, said oil-in-water emulsion comprising: ~~containing a internally crosslinked fine resin particle,~~

~~which comprises of~~ an epoxy resin (A-1) having a cationic group, and/or a blocked isocyanate (H-1) and/or

a melamine resin (H-2) and

[[a]] an emulsion particle containing one or more internally crosslinked fine resin particles ~~particle~~ (C), wherein

said one or more internally crosslinked fine resin particles have ~~having~~ a particle diameter of 0.01 to 0.2 μm,

said one or more internally crosslinked fine resin particles ~~particle~~ (C) are ~~being~~ in an oil phase[[.]], and

the oil-in-water emulsion containing said one or more internally crosslinked fine resin particles has an emulsion particle diameter of 0.02 to 0.3 μm.

8. (Currently Amended) The cation electrodeposition coating composition ~~The oil-in-water type emulsion containing the internally crosslinked fine resin particle~~ according to Claim 7, wherein 20 to 150 mole percent of the cationic group in the epoxy resin (A-1) is neutralized with acid.

9. (Currently Amended) The cation electrodeposition coating composition ~~The oil-in-water type emulsion containing the internally crosslinked fine resin particle~~ according to Claim 7 or 8, wherein said one or more ~~the~~ internally crosslinked fine resin particles ~~particle~~ (C) are ~~is~~ contained in an amount of 1 to 100 weight percent of the epoxy resin (A-1).

10. (Currently Amended) The cation electrodeposition coating composition~~The oil-in-water type emulsion containing the internally crosslinked fine resin particle~~ according to Claim 8, wherein the blocked isocyanate (H-1) and/or the melamine resin (H-2) is contained in an amount of 10 to 50 weight percent of the epoxy resin (A-1).

11. (Cancelled).

12. (Currently Amended) [[A]] The cation electrodeposition coating composition according to claim 7, 8, or 10, further comprising ~~of at least the oil-in-water type emulsion containing the internally crosslinked fine resin particle according to any of Claims 7, 8 and 10 and~~ — a paste in which a pigment is dispersed.

13. (Currently Amended) A coated substance obtained by electrodeposition coating of the cation electrodeposition coating composition according to any of claims 7, 8 and 10. ~~Claim 12.~~

14. (New) A coated substance obtained by electrodeposition coating of the cation electrodeposition coating composition according to claim 9.

15. (New) A coated substance obtained by electrodeposition coating of the cation electrodeposition coating composition according to claim 12.

16. (New) The cation electrodeposition coating composition according to claim 7, wherein said emulsion particle contains a plurality of said one or more internally crosslinked fine resin particles.

17. (New) The cation electrodeposition coating composition according to claim 7, wherein said emulsion particle contains said epoxy resin (A-1) having a cationic group and/or said blocked isocyanate (H-1) and/or said melamine resin (H-2).